

**MEMORANDUM OF UNDERSTANDING
BETWEEN
THE TREASURY AND RESOURCES DEPARTMENT AND GUERNSEY POST LIMITED**

1. Purpose

The Minister and Deputy Minister of the Treasury and Resources Department are equal shareholders, in trust, on behalf of the States of Guernsey of all shares in Guernsey Post Limited.

The Treasury and Resources Department has been mandated by the States of Deliberation inter alia: to advise the States on matters relating to the allocation and administration of all States resources; and, to be responsible for the shareholders' functions and duties in respect of the States Trading Companies, including Guernsey Post Limited.

The purpose of this document is to formalise the relationship between the Treasury and Resources Department of the States of Guernsey ("the Shareholder") and Guernsey Post Limited ("the Company") by detailing the protocols to be observed in their on-going relationship and setting out the expectations, rights and duties of both parties.

2. Scope

This Memorandum of Understanding covers the current expectations placed on the Company by the Shareholder and details the documentation, levels of disclosure and contact expected to enable the Shareholder to discharge its duties and to ensure that the Company discharges its corporate governance duties. It also sets out the institutional arrangements that the Shareholder has established to exercise its role and responsibilities as shareholder in the Company. It details the objectives of the Company agreed between the Board of the Company and the Shareholder and establishes arrangements setting out how the Company will report its performance against those objectives.

The Shareholder and the Company each acknowledge that it is in their mutual interest for each to act at all times having regard to the best interests of the Company.

This Memorandum of Understanding shall not act so as to enable or authorise the Shareholder or the Supervisory Sub-Committee (see section 3 below) to act in any manner which might constitute either or each of them (including employees, servants or members of such bodies) being capable of being regarded as a "Shadow Director" within the meaning of Section 132 of the Companies (Guernsey) Law, 2008.

3. Supervisory Sub-Committee

The Shareholder has established a Supervisory Sub-Committee ("the Sub-Committee") which has been charged with the following objectives:

- Establish clear shareholder objectives for the Company;
- Monitor the Company's performance against appropriate industry benchmarks and quality standards to ensure that the Company delivers cost-effective and innovative services which are responsive to their customers' needs and that the Company operates efficiently and responsibly in the best interests of the community;
- Ensure that the Treasury and Resources Department is an effective shareholder in the Company; and,

- Seek value and an appropriate return that provides best value to the Guernsey economy from the Company for the community, whilst striking a balance with the enabling role the Company plays in supporting the Island and its social, economic and environmental objectives for the long-term benefit of the Island and its community.

The Shareholder has established the following specific terms of reference for the Sub-Committee:

- In conjunction with the Commerce and Employment Department, regularly review the guidance (“the States Guidance to the Shareholder”) that, under the provisions of the States Trading Companies (Bailiwick of Guernsey) Ordinance, 2011, the States of Deliberation is able to give on the policies that they wish the Shareholder to pursue in exercising its functions as shareholder;
- Engage with and consult the Commerce and Employment Department on strategic matters relating to Guernsey Post and Guernsey Electricity;
- Ensure that the Shareholder is fulfilling the obligations set for it under the States Guidance to the Shareholder;
- Establish clear objectives for the Company, including but not limited to areas such as pricing and pricing controls, dividend policies, financial performance, quality of customer service, corporate governance, sustainability, reputation and compliance with environmental standards;
- Establish the financial, operational and strategic parameters within which the Company can operate with and without reference to the Shareholder;
- Engage with the Company on financial matters and hold it to account in terms of its performance against its business plan and shareholder objectives; and,
- Scrutinise the process employed for the appointment of the Company’s Chairman, non-executive directors and executive management team.

The Shareholder will appoint a Shareholder Liaison Officer who will act as the principal point of liaison between the Shareholder, the Sub-Committee and the Company on a day-to-day basis. The Shareholder Liaison Officer will assist and support the Company in meeting its obligations under this Memorandum of Understanding and will provide a sounding board for the Company and their Executive Directors on matters of shareholder interest.

The Shareholder and the Company agree that the costs reasonably incurred by the Shareholder in exercising its oversight responsibilities for the Company through the Sub-Committee and the Shareholder Liaison Officer will be charged to the Company. These costs will be fairly apportioned between the Company and the other companies for which the Department acts as shareholder on behalf of the States. The Shareholder will provide an estimate to the Company of its anticipated costs and proposed apportionment for each calendar year no later than 30th October of the preceding year.

4. States Strategic Guidance

The States Guidance to the Shareholder¹ is set out in Schedule 1.

The Shareholder believes that the States intended purpose of commercialisation was to enable the Company to run more efficiently, unencumbered by public sector constraints, particularly in respect of staff levels and staff remuneration, to capitalise on opportunities that can make greater use of the Company’s asset base and to investigate new business areas that may be “conveniently combined” with the core business streams.

¹ Resolution XIV(4) of Billet d’Etat XV of 2011

Schedule 1 will be updated from time to time to take account of any changes in legislation or regulation.

In 2011, following consideration of a report from the Commerce & Employment Department, the States agreed² to direct the Treasury and Resources Department to follow the six principles of corporate governance set out in that report and to take them into account in performing the shareholder representative role. The six principles are set out in Schedule 1.

5. Shareholder Objectives

The Shareholder has established and agreed shareholder objectives with the Company. These are set out in Schedule 2, which also sets out the Key Performance Indicators and other criteria on which the Company will report to demonstrate its performance against these shareholder objectives.

Schedule 2 also sets out the guaranteed service standards agreed by the Company and the compensation arrangements for mail items that either are not received, damaged or delayed. Schedule 2 will be updated from time to time to take account of any changes in objectives or performance metrics agreed between the Shareholder and the Company.

The Company will commission a triennial external efficiency review of its operations, the arrangements and terms of reference for which will be subject to the approval of the Sub-Committee. The Company will be responsible for meeting the costs associated with this review.

The Company will establish and maintain an independent User Council to supplement existing methods of communication with its customers. The User Council will provide an opportunity for the company's customers to convey to an independent body issues, ideas and observations on the provisions of its services.

6. Documentation

The Company will provide the Shareholder with the following documented information:

- a) An annual confidential Shareholder Report which should cover, as a minimum, the following areas:
 - A review of the Company's performance against its key objectives and strategic goals;
 - A brief description of the principal challenges and other relevant issues that the Company has dealt with in the preceding year;
 - A review of the principal risks being managed by the Company and the steps being taken to mitigate against these;
 - The results of the Board effectiveness review; and,
 - An overview of the work over the year of the Audit Committee, the Remuneration Committee and the Board Nominations Committee, or such sub-committees or committees, however combined, named or constituted, which fulfil the tasks and roles of the above named.

- b) An annual confidential Remuneration Report, including disclosure of the remuneration package for each of the Executive Directors, including any bonuses paid and their basis;

² Resolution XIV(3) of Billet d'Etat XV of 2011

- c) The Company's annual report and accounts (as published);
- d) An annual transparency report (the content and format of which will be agreed and reviewed with the Company from time to time);
- e) An annual business plan and periodic strategic plans, drafts of which should be submitted to the Shareholder before finalisation;
- f) Quarterly KPIs and financial performance reports, including P&L, Balance Sheet and Cashflow (to date and forecasts);

A timetable showing the timing of the submission of these reports is shown at Appendix 3. It is acknowledged that some of the documentation set out above and not specifically marked as confidential will contain confidential and/or commercially sensitive information which will not be appropriate for publication.

7. Meetings and Liaison

The following annual calendar of Shareholder contact should continue for the term of this Memorandum of Understanding:

- a) Annual meeting between the Board of the Treasury and Resources Department, the Sub-Committee and representatives of the Company (to include the Chairman, Chief Executive and Finance Director) to review and discuss the annual Shareholder Report, the Annual Report and Accounts, the Remuneration Report and the Transparency Report;
- b) Annual meeting between the Sub-Committee and representatives of the Company (to include the Chairman, Chief Executive and Finance Director) to update and discuss:
 - Strategic issues, including company performance;
 - Financial matters, including the latest management accounts;
 - Risk and assurance issues;
 - Current or upcoming events and issues; and,
 - Development of and updates to the strategic plan for the following calendar year;
- c) Annual AGM.

A timetable showing the timing of these meetings is included in Schedule 3.

Regular dialogue and liaison will be maintained between the Company and the Shareholder Liaison Officer to ensure that there are "no surprises" for either party and to ensure that any matters which may have political implications can be discussed with the Shareholder in advance.

8. Matters to be Referred to the Shareholder

From time to time matters will need to be referred to the Shareholder, either for approval or for information. Those matters that are reserved for decision to the Shareholder are set out in the Company's Scheme of Delegated Authority (SODA) at Schedule 4.

Prior sight should be given to the Shareholder, for information only, of any press release that deals with a significant announcement (on the basis that there should be "no surprises" for either party).

9. Corporate Governance Issues

The Shareholder is required by the States to ensure that the Company complies with best practice on corporate governance, including financial management and controls and, as such, the Shareholder will expect the following minimum requirements to be in place within the Company:

Appointment of Non-Executive Directors and Executive Directors

The appointment of the appropriate Non-Executive and Executive Directors is essential to the performance of the Board and to the Shareholder in achieving its objectives. Therefore, there should be a formal, rigorous and transparent procedure for the appointment of new Non-Executive and Executive Directors to the Board, which should be agreed beforehand with the Shareholder.

All such appointments shall be in accordance with the Company's Articles of Association and any relevant legislation.

Any new Non-Executive Director appointments will need to be approved by the States of Deliberation on the recommendation of the Shareholder.

The guidance from the Shareholder is that there will be a general presumption that Non-Executive Directors will serve for six years (i.e. two terms of three years). The Company's Board may request the Shareholder to agree to the reappointment of a Non-Executive Director for a third three-year term where such a reappointment would be in the best interests of the Company, having regard to the Non-Executive Director's performance, contribution and the need for continuity. Where such a request is made, the Shareholder will normally respond positively. It is most unlikely that the Shareholder will consent to a further reappointment beyond the nine year period.

Audit Committee

The Company will maintain an Audit Committee which will meet at least biannually. The annual results of their work and considerations should be included in the Shareholder Report.

Internal Control

A sound system of internal control (including financial, operational and compliance controls) and risk management must be in place to ensure effective governance of the Company's finances and resources.

The Company will be expected to conduct a review of the effectiveness of the system of internal control at least annually and to document the above review as part of the annual Shareholder Report.

Remuneration and Nominations Committee

There should be a formal and transparent procedure for developing policy on executive remuneration and for framing the remuneration packages of individual directors. No director should be involved in deciding his or her own remuneration.

Levels of remuneration should be sufficient to attract, retain and motivate directors of the quality required to run the Company successfully while avoiding paying any more than is

necessary for this purpose. A proportion of Executive Directors' remuneration should be structured so as to link rewards to corporate and individual performance.

The Shareholder will expect to see full disclosure Remuneration Reports, in respect of each Director, within the annual Confidential Remuneration Report.

The Committee will also be responsible for leading on the process for appointing new Non-Executive Directors, such process to be subject to the approval of the Shareholder. Evidence of periodic, thorough and effective skills analyses undertaken by the Company's Remuneration and Nominations Committee and supported by its Board prior to recommendations being put forward to the Shareholder will need to be demonstrated.

Periodic Review of Company Articles of Association

The Company and the Shareholder shall co-operate to review periodically, but at least once every five years, the Company's Articles of Incorporation to ensure that they are fit for purpose and take due regard to changes in company legislation and other relevant legislation and the needs of the Company and the requirements of the Shareholder generally.

10. Dividend Policy

The Shareholder will issue periodically guidance to the Company setting out its expectations in respect of dividends. The Company's Board will recommend the dividend for approval by the Shareholder at the Annual General Meeting, taking into account any such guidance, as well as the Company's strategic plans, its investment and available financial resources, its current and projected future debt levels and the overall best interests of the Company.

11. Period of Memorandum of Understanding

This Memorandum of Understanding will be reviewed after a period of three years from the date of its signature.

Signed: 
For and on behalf of the Treasury and
Resources Department

Name: Barbara St. Just

Title: Minister

Date: 5/1/15

Signed: 
For and on behalf of Guernsey Post Limited

Name: D. P. JEAN

Title: Chairman

Date:

SCHEDULE 1

States Guidance to the Treasury and Resources Department in exercising on behalf of the States the role of shareholder of Guernsey Post

1. The extent of the activities of Guernsey Post Limited shall generally be:
 - a) To carry on business as a provider of postal services together with any other services which are ancillary related to or may be conveniently combined with the operation of postal services in the Bailiwick of Guernsey and elsewhere.
 - b) To act as distributors freight and forwarding agents and carriers and suppliers of all related services and to enter into arrangements with contractors or sub-contractors for the provision of such services in the Bailiwick of Guernsey and elsewhere.
2. Financial performance targets for Guernsey Post Limited shall be set so as to:
 - a) Deliver improved efficiency in fulfilling the requirements of the Public/Universal Supply Obligation imposed under the regulatory regime; and
 - b) Achieve as soon as is practicable an appropriate commercial return on the resources employed in the provision of other services.
3. Without an express resolution of the States no property or buildings that are essential to fulfilling the Universal Service Obligation imposed under the regulatory regime shall be disposed of except by acquisition by the States under appropriate terms.
4. Policies for the provision of services and other activities of Guernsey Post Limited shall have regard to the Economic, Social and Environmental policies adopted by the States and set out in the relevant Policy and Resources Planning Report and/or the relevant Strategic and Corporate Plan.
5. Guernsey Post Limited shall be required to comply with best practice on corporate governance, financial management and controls.

Six Principle of Corporate Governance – Section 6.6 of Article 14 of Billet d'Etat XV of 2011

1. **Governance Frameworks:** where appropriate, ensure that corporate governance is compliant with the principles of the UK Corporate Governance Code (formerly known as the Combined Code) and fits the needs of the shareholder and business.
2. **Strategy:** set overall objectives for the business, including responsibility for resolving any conflict between the Government's objectives. Agree with the commercial boards strategic plans for delivering those objectives: the boards are then accountable for their delivery.

3. **Appointments:** recommend to the States appointments as the Chair and actively participate in other Board appointments.
4. **Remuneration and incentivisation:** set or agree remuneration principles so that management and shareholder interests are aligned.
5. **Financing and Investments:** work with businesses to optimise capital structures, agree dividend policy and approve significant investments and realisations.
6. **Monitoring and intervention:** monitor performance to ensure that the strategic plan is on track and that shareholder interventions are timely and well-informed.

SHAREHOLDER OBJECTIVES

The objectives set for Guernsey Post are as follows:

- To provide in the Bailiwick of Guernsey a Universal Postal Service as defined by Resolution of the States of Guernsey from time to time at uniform and affordable prices. The States of Guernsey has currently resolved³ that the Universal Postal Service should be as follows:
 - One collection from access points on five working days, Monday to Friday, each week;
 - One delivery of letter mail to the home or premises of every natural or legal person in the Bailiwick on five working days, Monday to Friday;
 - Collections shall be for all postal items up to a weight of 20Kg;
 - Deliveries on a minimum of five working days shall be for all postal items up to a weight of 20kg;
 - Services for registered and insured mail.

In providing these services, the Company shall ensure that the density of access points and contact points shall take account of the needs of users. An access point shall include any post boxes or other facility provided by the Company for the purpose of receiving postal items for onward transmission in connection with the provision of this universal postal service.

- To ensure Guernsey Post's activities are focused as an economic enabler and infrastructure component;
- To demonstrate good and externally benchmarked customer satisfaction;
- To provide a "domestic" postal service at externally benchmarked and competitive prices;
- To provide a rate of return on shareholder capital employed to be agreed between the Company and the Shareholder⁴;
- To provide a commercial return on any loan finance from the States;
- To deliver the business plan and report to T&R on progress.

³ Resolution I of Article VIII of Billet d'Etat XVII of 2011

⁴ Following consideration of the 2015 Budget Report (Billet d'Etat XXII of 2014) the States of Deliberation has agreed that the Shareholder should commission an external review of the appropriate level of investment return that should be generated from the States-owned trading assets. The recommendations arising from this Review will be reported back to the States of Deliberation in 2015.

KEY PERFORMANCE METRICS

In support of the above, Guernsey Post will be monitoring and reporting on the following Key Performance Indicators:

Area	Key Performance Indicators	Notes/Targets
Financial	Gross Profit Margin (%)	
	Operating Profit	
	Contribution to Profit from Bulk Mail Activities	
	Cashflow	
	% of Debt Paid on Time	
	Revenue from new business	
Operational	Total Operational Hours	
	Operational Productivity	Items Handled Per Hour
	Days Lost to Accidents	
Customer	Quality of Service – Bailiwick to Bailiwick	% of mail delivered on the working day (Mon to Fri) after it has been posted and % of mail delivered within 3 working days of postal date
	Quality of Service – Jersey to Bailiwick/Bailiwick to Jersey	% of mail delivered on the working day (Mon to Fri) after it has been posted and % of mail delivered within 3 working days of postal date
	Quality of Service – Bailiwick to UK & Isle of Man (standard mail)/UK & Isle of Man to Bailiwick (first class)	% of mail delivered on the working day (Mon to Fri) after it has been posted and % of mail delivered within 3 working days of postal date
	Internal Quality of Service – Bailiwick to UK & Isle of Man/UK & Isle of Man to Bailiwick	% of first class mail from UK processed and cleared to a delivery postman on day of receipt at GPL sorting centre and % of first class mail and second class mail from the UK processed and cleared to a delivery postman by the day after receipt at GPL sorting centre. % of mail to the UK posted by the last collection time taken to the airport or harbour ready for transport to the UK on the same day
	Internal Quality of Service – Bulk Mail posted in Guernsey in accordance with a Bulk Mail contract	% of bulk mail posted in Guernsey processed and cleared to a delivery postman within 2 days of the postal date
	Items Handled Per Complaint	
	Number of Repeat Complaints	
	UK Bulk Mail Volume Growth	
	International Bulk Mail Volume Growth	
	Price	Variance against UK and Jersey post tariffs
	Guernsey Post will commission biannual customer surveys, the objectives of which will be to track: attitudes towards GPL as a business; levels of product and service awareness; customer satisfaction; and, opinions on specific issues to support product development. The results will be reported to the Shareholder.	

Employee	Employee Satisfaction	
	Headcount	FTEs
	Sickness Absence	
	Voluntary Turnover	
Strategic	Guernsey Post will submit to the Shareholder: an annual transparency report (the content and format of which will be agreed and reviewed with the Company from time to time); and, an annual business plan and periodic strategic plans, drafts of which should be submitted to the Shareholder before finalisation.	

SERVICE QUALITY STANDARDS

1. External Service Quality Targets

The Shareholder expects the Company to achieve the following external service quality targets:

Local Mail

J+1	95%
J+3	99%

Standard Mail between the Bailiwick of Guernsey and Jersey (either way)

J+1	82%
J+3	97%

Standard Mail from Guernsey to the UK or Isle of Man and 1st Class Mail from the UK or Isle of Man to Guernsey

J+1	82%
J+3	97%

This target is expressed in terms of the proportion of mail that should arrive within one, two or three or more working days from the day it is posted. The posting day is referred to as 'J' day and a target of J+1 is a target for the proportion of mail that should be delivered on the working day (Monday to Friday) after it has been posted. A target for J+3 allows two full working days between the day of posting and the day of delivery.

2. Internal Service Quality Targets

The Shareholder expects the Company to achieve the following internal service quality targets:

Internal Target for Mail to and from the UK

Mail from UK		Mail to UK	
1 st Class Mail (D+0)	98%	All Mail (E+0)	98%
1 st Class Mail (D+1)	100%		
2 nd Class Mail (D+1)	98%		

Where:

D is the day of receipt by GPL of mail coming from the UK at its main sorting centre. The target applies to the number of days before clearance to a delivery postman. For instance, D+0 means mail is processed and cleared to a delivery postman on the day of receipt; and,

E is the day when the mail is posted by the last collection time. An E+0 target means that mail posted on day E is taken to the airport or harbour ready for transport to the UK mainland on the same day as when it is collected.

Internal Target for Bulk Mail posted in Guernsey in accordance with a bulk mail contract

D+2 or as otherwise agreed with the customer

3. Compensation

Item Type	Not Received (subject to confirmation by Guernsey Post)	Damaged (Subject to confirmation by Guernsey Post & adherence to its packing guidelines)	Delayed (Subject to confirmation by Guernsey Post)
Bailiwick/UK Letter/Packets	Compensation up to £41 intra-Bailiwick or £55 for the UK + postage, subject to proof of posting and cost of item	Compensation can be awarded except for bulk postal flowers where no compensation is payable. Up to £41 intra-Bailiwick or £55 for the UK, subject to proof of posting and cost of item	No compensation payable except for postal flowers where the cost of flowers (up to £55) is refunded if the item was addressed correctly but delivered after the fifth working day in the UK
Special Delivery (Signature required by recipient, not necessarily addressee*)	Up to £2,500 awarded + postage, subject to level of insurance purchased, proof of posting and cost of item	Up to £2,500 awarded plus postage. Postage subject to level of insurance purchased, proof of posting and cost of item	Postage will be refunded if the delay has been caused by postal network failure, but will not be refunded if the delay is as a result of inspection by HM Customs, weather conditions and Acts of God. The loss of postal flowers is refunded after 3 working days.
Local & UK Recorded Delivery	Up to £41 intra-Bailiwick or £55 for the UK + postage, subject to proof of posting and cost of the item	Up to £41 intra-Bailiwick or £55 for the UK + postage, subject to proof of posting and cost of the item	No compensation available
Local and UK Parcel	Up to £500 awarded + postage, subject to level of insurance purchased, proof of posting and cost of item. (Standard product only provides £41 intra-Bailiwick or £55 insurance for the UK)	Up to £250 awarded, subject to level of insurance purchased, proof of posting and cost of item. (Standard product only provides £41 intra-Bailiwick or £55 insurance for the UK) Plus postage.	No compensation available
International Parcel	Up to £500 awarded + postage, subject to level of insurance purchased, proof of posting and cost of item. (Standard product provides £50 insurance)	Up to £250 awarded, subject to level of insurance purchased, proof of posting and cost of item. (Standard product provides £50 insurance)	No compensation available
International Signed For	Up to £250 awarded + postage, subject to level of insurance purchased, proof of posting and cost of item. (Standard product provides £50 insurance)	Up to £250 awarded, subject to level of insurance purchased, proof of posting and cost of item. (Standard product provides £50 insurance)	No compensation available
International Tracked	Up to £250 awarded + postage, subject to level of insurance purchased, proof of posting and cost of item. (Standard product provides £50 insurance)	Up to £250 awarded, subject to level of insurance purchased, proof of posting and cost of item. (Standard product provides £50 insurance)	No compensation available

*An alternative to a handwritten signature may be possible if the attendee is unable to provide a signature due to disability and if there is no one else available to provide a signature.

SCHEDULE 3

Timetables

Timetable for the Submission of Reports and Documentation

Item	Frequency	Guide Date
Shareholder Report	Annual	Within 3 months of year-end
Remuneration Report	Annual	Within 3 months of year-end
Annual Report & Accounts	Annual	Within 3 months of year-end
Strategic Plan	Annual	3 months before the start of the financial year
Management Accounts	Quarterly	Within 6 weeks of quarter-end
Transparency Report	Annual	Within 3 months of year-end

Timetable for Meetings

Meeting	Topic	Guide Date
T&R Board	Shareholder Report; Remuneration Report; Annual Report & Accounts; Transparency Report	July/August
Supervisory Sub-Committee	Strategic issues, including company performance; financial matters, including the latest financial performance reports; risk and assurance issues; current or upcoming events and issues; draft Strategic/Annual Business Plan	November/December
AGM		July/August

MATTERS FOR REFERRAL TO THE SHAREHOLDER

THE FOLLOWING MATTERS ARE RESERVED TO THE SHAREHOLDER FOR ITS DECISION/APPROVAL:

1. The annual strategic plan
2. Material deviations from the strategic plan
3. Acquisitions and disposals of corporate entities greater than £250k
4. Material investments or divestments greater than £250k
5. Merger with, or takeover by, another company or postal administration
6. Alteration of the company's share capital
7. Allotment of the company's shares
8. Appointment of non-executive directors
9. Appointment of an auditor
10. Removal of a non-executive director
11. Removal of an auditor
12. Approval of a dividend
13. Approval of the annual shareholder report and accounts
14. Alteration of the company's memorandum and articles of association
15. Change of company name
16. Winding up of the company
17. Remuneration of non-executive directors
18. Determination of group capital structure, return on investment and dividend policy
19. Material litigation prosecuted or defended by the company
20. Deposit of surplus funds in States Treasury
21. Overall Tariff increases that exceed Guernsey RPI or the level of increase imposed on GPL by a key trading partner i.e. Royal Mail
22. Matters that will not generate a commercial return, but may fulfil other social, economic or environmental objectives
23. The entry into new markets, or the introduction of new products, outside the core business

In addition to the reserved powers above, the company is also required to bring all matters which have the potential to attract political interest to the shareholder's attention prior to their being made the subject of formal media releases. As examples, but not limited to, this will include:-

1. Closures
2. Potential Industrial Action
3. Material service changes
4. Redundancies